Providing Sea Transport Facilities, to Exporters of Tamil Nadu

41. SHRI S. MADHAVAN; Will the Minister of COMMERCE be pleased to state:

(a) whether the exporters of leather and readymade garments from Tamil Nadu are finding it diffi cult to export their goods by air to Europe and USA due to rise in air fare;

(b) whether they have demanded transportation facilities by sea; and

(c) if so, what are the details of action taken by the Central Government to help these exporters?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SHANTILAL PURUSHOTTAMDAS PATEL): (a) to ($_C$) There is mounting demand for air cargo capacity for carriage of export consignments of readymade garments and leather. Special arrangements including operation of additional flights by Air India and adoption of an Open Skies Policy have been made to meet this demand. Freight rates are revised from time to time in relation to costs. The sea mode of transportation supplements the cargo capacity and is resorted fo also in view of lower freight costs ana higher returns that it offers to exporters. Arrangements to meet the anticipated demand for air cargo capacity during the ensuing season and also to streamline carriage by sea and by sea-aid combination are being made in consultation with the concerned export promotion councils.

Mass Casual Leave taken Tjy the Customs Appraisers of Madras

45. SHRI S. MADHAVAN: Will the Minister of FINANCE! be pleased to state:

(a) whether Customs Appraisers at Madras struck work in October, 1990 by going on mass Casual Leave;

(b) if so, what were the reasons for such a move, and

(c) what action have been taken to redress their grievances?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) to (c) Customs Appraisers at Madras struck work on 15 October, 1990 by going on mass Casual Leave demanding confirmation, supply of tariff and other books, and representation in the Public Grievance Committee meetings. Collector of Customs, Madras has taken appropriate remedial measures to redress their grievances in the matter.

Trading with Country's Gold Reserve

46. SHRI S. MADHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government and the Reserve Bank of India have discussed the possibility of trading, leasing or selling off a part of the country's gold reserves in order to cope with the piesent balance of payments crisis;

(b) if so^ what is the outcome of the discussion held; and

(c) whether there is any proposal to permit the Reserve Bank of India to revalue its reserves?

THE DEPUTY MINISTER IN THK MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) No, Sir.

(b) Does not arise.

(c) The ordinance promulgated by the Government of India on 15-10-90 enables the Reserve Bank of India under amendment of section 33(4) of the Reserve Bank of India Act 2, 1934 to revalue the gold holdings which forms part of the foreign exchange reserves at a price not exceeding the international market price.

Decline in Foreign Exchange Reserves

47. SHRI SHIV PRATAP MISHRA: Will fhe Minister of FINANCE be pleased to state:

(a; whether foreign exchange reserves have shown a steep decline during the last few months; if so, what are the reasons therefor; and

(b) what steps have been taken to increase the reserves?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) Yes, Sir. There are a number of factors which have contributed towards the decline in reserves during the last few months. These include increase in import prices of POL consequent upon the Gulf crisis, a lull in foreign commercial borrowings owing to the downgrading of India's credit rating and recent trends in the international .'Capital markets; ajnd pcssible reduction in Qur invisible earnings.

(b) "With regard to the decline in foreign exchange reserves the Government has initiated a number of measures to promote exports and curtail inessential imports. Attempts are also being made to augment foreign exchange earnings through invisible earnings and capital inflows including accelerated disbursement of external assistance.

Amount of yearly Budget deficit

48. SHRI PRAMOD MAHAJAN:
SHRI KRISHAN LAL SHARMA;
SHRI SURESH PACHOURI:

Will the Minister of FINANCE be pleased to state:

(a) what is the yearly Budget deficit during the last three years and its estimate for the current year;

(b) whether the additional estimated deficit in the current year and for the next year is due to the Gull crisis; and

(c) what are the measures already adopted and also being planned to meet the situation showing the names of the sources being *so envisaged* and the estimated targets in each case for the current year and the next year?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND THE DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH): (a) The overall budgetary deficit of the Central Government in 1990-91 (BE) and in the preceding 3 years are given below:—

(Rs. in crores)

1987-88	5816
1988-89	5642
1989-90 (Provisional)	10625
1990-91 (BE)	7206

(b) The Budget deficit in the Revised estimates 1990-4)1 'wi}1 be , finalised in due course and shown in the Budget documents for 1991-92.

tc) In view of the post-Budget developments, Government has already taken several measures to contain the budgetary deficit. Of these, mention may be made of the measures to en-